BEFORE THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD DIVISION OF WATER RIGHTS

In the Matter of the Application of The Nevada Hydro Company Petition for Reconsideration of denial of application for water quality certification, Lake Elsinore Advanced Pump Storage project, Federal Energy Regulatory Commission Project no. 11858

JOHN PECORA'S COMMENTS REGARDING THE NEVADA HYDRO COMPANY PETITION FOR RECONSIDERATION

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I. INTRODUCTION

I do not support reconsidering The Nevada Hydro Company Water (TNHC) Lake
Elsinore Advanced Pump Storage (LEAPS) Water Certification Application. The California
State Water Resources Control Board (SWRCB) decision provides for dismissal of the
application without prejudice, I submit the SWRCB final decision should dismiss the petition
with prejudice and require mandatory compliance with the numerous California Public Utilities
Commission (CPUC) staff directives issued prior to the CPUC dismissal (without prejudice) of
TNHC's Certificate of Necessity and Convenience (CPNC) which precipitated the SWCRB
application dismissal without prejudice. The current economic recession demands prudence the
CPUC staff directives provide to reduce the expenditure of public and private resources,
including but not limited to the California State Water Resources Board, The Federal Energy
Regulatory Commission, the United States Forestry Service, all the stake holders, all the private
individuals and entities and the CPUC.

I assert the information contained in (1) The Final Environmental Impact Statement prepared by the Federal Energy Regulatory Commission (FERC) and the United States Forest Service (USFS), dated January 2007 (FEIS); (2) the Final Environmental Impact Statement prepared for San Diego Gas & Electric Company's Sunrise Powerlink Project ("Sunrise Powerlink EIS"); and (3) the memorandum, dated October 1, 2007 for the Santa Ana Regional Water Quality Control Board ("Santa Ana Regional Board") is incorrect and omits key information about the LEAPS project and cannot substitute or constitute final and valid California Environmental Quality Act documentation.

Due to the size and complexity of TNHC's filings, these comments do not attempt to provide a response to the substantive environmental analysis in the FERC and State of California filings, but rather comment on a few policy justifications and factual submissions in TNHC's filings.

I will address three issues in this comment:

1. Water. W.H. Ogden addresses the importance of water in this quote,

"Thousands have lived without love. Not a one without water."

TNHC fails to consider the environmental impact of the central and most critically necessary component of the LEAPS project. TNHC attempts to justify LEAPS on the assumption of a continuing and uninterrupted source of water to store, recover and transmit electricity without providing adequate and necessary information on the availability and source of water to maintain the lower reservoir (Lake Elsinore) at the necessary operational impact of LEAPS requirements for an uninterrupted and continuing source of water on the total reservoir of water for the Lake Elsinore Valley and its residents, possibly affecting the entire State of California water supply.

2. Renewable energy

LEAPS depends on water for energy storage. LEAPS does not and will not generate renewable energy of any type. LEAPS consumes renewable electrical energy to move water, with out recovery, at a price not mitigated in any study. Water, not electricity, must be considered when discussing renewable energy.

3. Private Property.

TNHC fails to identify and provide mitigation for all property and property owners adversely affected by the proposed project and specifically my property.

II. DISCUSSION

The SWRCB Mission Statement reads as follows:

"The State Board's mission is to preserve, enhance and restore the quality of California's water resources, and ensure their proper allocation and efficient use for the benefit of present and future generations."

WATER

The issue before the SWRCB cannot be limited to water. The SWRCB must address the most convenient and necessary use of energy, specifically the energy stored in water, for the citizens of the State of California.

The California Environmental Quality Act (CEQA) under Policy number 15003 (h) states, "The lead agency must consider the whole of an action, not simply its constituent parts, when determining whether it will have a significant environmental effect. (Citizens Assoc. For Sensible Development of Bishop Area v. County of Inyo (1985) 172 Cal.App.3d 151)." I suggest the SWRCB evaluate LEAPS as a water-demand project and consider the implication of policy number 15155 (G) "A project that would demand an amount of water equivalent to, or greater than, the amount of water required by a 500 dwelling unit project. (e) The city or county lead agency shall include the water assessment, and any water acquisition plan in the EIR, negative declaration, or mitigated negative declaration, or any supplement thereto, prepared for the water-demand project, and may include an evaluation of the water assessment and water acquisition plan information within such environmental document. The city or county lead agency shall determine, based on the entire record, whether projected water supplies will be sufficient to satisfy the demands of the project, in addition to existing and planned future uses. If a city or county lead agency determines that water supplies will not be sufficient, the city or county lead agency shall include that determination in its findings for the water-demand project."

The LEAPS project lacks two essential elements that are generally provided by Nature, water for maintenance of operational levels, and gravity. Lake Elsinore is situated below Canyon Lake in the San Jacinto River watershed. The Elsinore Valley Municipal Water District [EVMWD as Co-applicant with TNHC on LEAPS Federal Energy Regulatory Commission's (FERC) application P-11858] controls the upstream dam at Canyon Lake preserving as much

water as possible from the San Jacinto River watershed for rate payer use. This leaves very little water from the San Jacinto River watershed to maintain Lake Elsinore within operational levels for LEAPS. Rainfall and runoff currently are the only reliable natural source of water for Lake Elsinore. Lake Elsinore experiences extreme elevation fluctuation over time with periodic flooding and drought with an average annual evaporative loss of 56.2 inches of elevation per year, on average 8,000 gallons per minute, 24 hours a day, 365 days a year. During peak LEAPS operational season (summer months June through October) Lake Elsinore loses approx. 24,000 gallons (Olympic size swimming pool) per minute. History has shown Lake Elsinore lacks a natural, reliable source of water to maintain water levels within the operational parameters of LEAPS. The FERC FEIS for LEAPS indicates ground water or tertiary treated sewage water as the only sources of water for maintaining Lake Elsinore within operational elevations. This water must be created through natural processes, intense human labor and purchased.

The people of Southern California are in a current state of water scarcity. Southern California agricultural growers are being asked to drastically curtail water usage. SWRCB has told the water agencies that serve two-thirds of the state to expect a 25% reduction of the normal allocations this year, down from 60% last year. A judge's order that curtails water deliveries to the San Joaquin Valley and Southern California from the Sacramento -San Joaquin Delta is in effect. Shasta Lake, near Redding, can hold 4.6 million acre-feet of water but contains 1.3 million. Lake Oroville, with a capacity of 3.5 million-acre feet, has 1.3 million. Folsom Lake is one-quarter full. Lake Elsinore's local water district, Elsinore Municipal Water District (EVMWD), has requested water rate payer participation in voluntary conservation measures. The long-term predictions for the Colorado River watershed indicate a 25% reduction in available water over the next 20 years. The Orange County, California Water District is operating California's largest treatment plant devoted to purifying sewer water for aquifer storage and recovery (ASR) into their aquifers to increase drinking water supplies, intending to be a model

for a drought ravaged world. EVMWD has recently retrofitted four of their existing wells to ASR and constructed one new injection well in the Back Basin. Estimated injection capacity is approximately 7.5 MGD (million gallons per day). EVMWD is currently considering constructing an additional two to three ASR wells in the Back Basin area with a combined injection capacity of 4 MGD. The Rancho Water District in Rancho California, CA (20 miles south of Lake Elsinore) is building a treatment plant for injecting treated sewage water into their aquifer.

Energy stored in water is essential to our life and the question before the SWRCB and the citizens of California is the equitable use and allocation of that energy. Ground water and treated sewage water is rapidly becoming a scarce and valuable commodity as a source of sustainable energy for survival. The drought in California has implications for the entire United States since one-fourth for the country's fruits, vegetables and nuts are grown in California's Central Valley. The Sacramento Delta area is a major source of purchased water for Southern California. Water shortages in the Central Valley have caused the elimination of ten thousand or more farm related jobs and emergency declarations for devastated communities.

The question before the SWRCB is the allocation, convenience and necessity of the use of our available water resources. Do we use our available water sources for drinking and eating (through crop irrigation) or divert that water to a dirty lake (see FEIS and PEA) for energy storage, recovery and transmission (LEAPS) relegating 14% (increasing at an increasing rate over time, 86% efficiency rate, decreasing at an increasing rate over time, of the turbines) of that energy unrecoverable while providing a Federal subsidy and a monetary profit for TNHC?

Renewable energy

Which brings us to a second element of Nature, gravity. TNHC claims in their January 2008 Page 1-1 Proponent's Environmental Assessment Talega-Escondido/Valley-Serrano500-Kv Interconnect Project (CPUC No. 07-10-005) and the Lake Elsinore Advanced Pumped Storage

Project (FERC Project Nos. 11858-002 / ER06-278-005) that LEAPS will "Promote Renewable Energy." "The TE/VS Interconnect project will provide California consumers more economical access to existing renewable energy resources throughout California, encourage the development of new renewable resources, and provide San Diego County will access for renewable resources".

The LEAPS projected is touted as 86% efficient. This means the operation of LEAPS destroys 14% of the energy required to pump water uphill to use gravity for energy recovery. Accessible gravity (upper reservoir, pumping station) for energy recovery does not currently exist for LEAPS operational efficiency and must be created at great cost to ratepayers (see ER-06-278-000 in Ascension Number 20070622-506) and at a great inconvenience and cost to the residents of the Lake Elsinore Valley and surrounding area (see FERC FEIS). This loss in energy transforms any renewable energy purchased by LEAPS to pump water uphill for energy storage to non-renewable status (14% energy loss) and removes the consumed renewable energy from the entire electrical grid. This adverse affect to California electrical users is not mitigated in documents I have read to date and will be unrecoverable once the project is operational. I assert mitigation does not mean providing electricity to ratepayers at a higher cost during peak demand, the essence of the LEAPS project.

LEAPS lack both elements of nature, a sustainable natural water source and gravity (required for the recovery of energy). LEAPS divert precious water resources away from our primary source of survival (water and food) and does not qualify as a "Public Convenience" and is not "Necessary" (smart electrical metering technology will recover energy more efficiently than LEAPS [see BUSINESS WIRE news article dated April 26, 2007 concerning Southern California Edison Smart metering technology]).

ADVERSLY AFFECTED PROPERTY: MY HOUSE

TNHC fails to identify my house in the FEIS, and is not identified in the Sunrise

Powerlink FEIS and in the recently dismissed TNHC's Proponents Environmental Assessment (PEA) for the CPUC application for a Certificate of Public Convenience Necessity. Chapter 3 page 102 of the PEA states the Santa Rosa powerhouse, "will be located within an unincorporated County area. At the lakeshore, the inlet/outlet and other associated improvements extending into Lake Elsinore (e.g., intake headwall structure, reinforced dredged channel, and boat dock) will be constructed within the corporate boundaries of the City. The proposed powerhouse site is located to the southwest of Butterfield Elementary Visual and Performing Arts Magnet School (16275 Grand Avenue, Lake Elsinore), operated by the Lake Elsinore Unified School District (LEUSD), and the Ortega Trails Youth Center, operated by Ortega Trails Youth Center, Inc. on the grounds of the elementary school.

In addition, the site is located to the east of the Santa Rosa Mountain Villas (33071-33091 Santa Rosa, Lake Elsinore) and the Copper Canyon Villas (16341-16347 Grand Avenue, Lake Elsinore), both multi-family attached housing projects. Existing single-family residential uses presently exist to the north of Grand Avenue and to the east of the proposed Santa Rosa powerhouse site." My property and home is northwest of the proposed Santa Rosa powerhouse location and south of Grand Avenue, between the Butterfield Elementary Visual and Performing Arts Magnet School (16275 Grand Avenue, Lake Elsinore) and the proposed Santa Rosa powerhouse, and directly behind the Copper Canyon Villas apartments. My home of 38 years, a single-family residence, existed before any of the structures listed in this section of the PEA. LEAPS will block the legal egress and access of my property, subject myself, family and property to numerous long-term adverse affects not mitigated in any submission I have read and not in TNHC's recent submission. My house sits at the corner of Union Avenue and Ponce Drive at 16336 Union Avenue (GPS co-ordinance - 33 degrees 38 minutes 59 seconds N 117 degrees 21 minutes 59 seconds West). I have consulted numerous map experts on methods of determining the location and existence of my property and house and they assure me anyone

with a rudimentary knowledge of maps and GPS technology will be able to locate my house with the co-ordinance I provided, an alternative method is to stand at the site at the proposed Santa Rosa power plant/lay down area and throw a rock in a northwesterly direction and watch the rock land on my property. Given the complexity of LEAPS, I am concerned that TNHC lacks the competence, skill and ability to construct, operate and maintain the entire project when TNHC has repeatedly failed to locate and identify my property and house.

III. CONCLUSION

The (1) The Final Environmental Impact Statement prepared by the Federal Energy Regulatory Commission (FERC) and the United States Forest Service (USFS), dated January 2007 (Project Final EIS); (2) the Final Environmental Impact Statement prepared for San Diego Gas & Electric Company's Sunrise Powerlink Project ("Sunrise Powerlink EIS"); and (3) the memorandum, dated October 1, 2007 for, the Santa Ana Regional Water Quality Control Board ("Santa Ana Regional Board") (mentioning the technological analysis, environmental and ecological impact of LEAPS) fails to provide adequate information (not limited to the three distinctions I address) to comply with the information and public participation requirements of CEQA. The TNHC Petition for Reconsideration fails to provide a compelling justification for the SWRCB to continue evaluating the impacts and efficacy of the LEAPS project. In light of the comments I have made and the persistent inadequacy of TNHC's submissions, I submit the SWRCB rule to dismiss TNHC's Petition to Reconsider with prejudice.

Dated: January 21, 2010

Respectfully submitted,

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